

FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: Beleave Inc. (the "Issuer").

Trading Symbol: BE

Number of Outstanding Listed Securities: 574,447,825

Date: May 7, 2020

This Monthly Progress Report must be posted before the opening of trading on the fifth trading day of each month. This report is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by Exchange Policies. If material information became known and was reported during the preceding month to which this report relates, this report should refer to the material information, the news release date and the posting date on the Exchange website.

This report is intended to keep investors and the market informed of the Issuer's ongoing business and management activities that occurred during the preceding month. Do not discuss goals or future plans unless they have crystallized to the point that they are "material information" as defined in the Policies. The discussion in this report must be factual, balanced and non-promotional.

General Instructions

- (a) Prepare this Monthly Progress Report using the format set out below. The sequence of questions must not be altered, nor should questions be omitted or left unanswered. The answers to the items must be in narrative form. State when the answer to any item is negative or not applicable to the Issuer. The title to each item must precede the answer.
- (b) The term "Issuer" includes the Issuer and any of its subsidiaries.
- (c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

Report on Business

1. Provide a general overview and discussion of the development of the Issuer's business and operations over the previous month. Where the Issuer was inactive disclose this fact.
 - *On April 13, 2020, the Company announced an operational and leadership update as follows:*
 - *Kevin Keagan resigns as CEO, but remains a Director*
 - *Doug Fowles joins the BOD as a Special Advisor*
 - *Branson Corporate Services was retained to assist providing financial services*

- *Keith Li, of Branson Corporate Services was appointed Interim CFO but subsequently did not take on the role, as announced on April 17, 2020.*
- *Covid-19 Update: Beleave has followed all recommended guidance provided by provincial and federal authorities to ensure the safety and health of its employees and customers by implementing recommended policies and procedures. The processing and packaging facility continues to be in use, however at a reduced level of activity due to physical distancing practices that are in place. Beleave has implemented a "behave like you are infected" policy, is monitoring the situation daily, and will continue to abide by government and health regulations as they are updated. The Company is meeting all delivery and customer order fulfillment expectations and is on track to continue uninterrupted*
- *On April 17, 2020 the Company announced that the previously filed unaudited interim financial statements for the three and nine months ended December 31, 2019 (the "Q3 Financials") were incomplete and missing a statement of changes in equity and notes to such financial statements and therefore should no longer be relied upon. Consequently, the Company is in default of its obligations under Part 4 of National Instrument 51-102 Continuous Disclosure Obligations and Part 3 of National Instrument 52-107 Acceptable Accounting Principles and Auditing Standards to file an interim financial report prepared in accordance with generally accepted accounting principles (the "Default"). This press release is being issued at the request of the Ontario Securities Commission ("OSC") in connection with a continuous disclosure review. As a result of the Default, the Company also announces that the OSC will be issuing a temporary cease trade order ("Temporary CTO") preventing trading in the Company's shares effective as of the market close.*
- *On April 20, 2020 the Company announced it had refiling of amended and restated management's discussion and analysis and amended and restated unaudited condensed consolidated interim financial statements. Adjustments were also made to correct the values assigned to inventories, biological assets and property, plant and equipment as at December 31, 2019. Previously, balances of \$2,116,123 for inventories, \$278,767 for biological assets and \$19,283,446 for property, plant and equipment, were respectively reported on the condensed consolidated interim statements of financial position. Details of the changes are fully described in Note 25 to the Restated Unaudited Condensed Consolidated Interim Financial Statements, as filed on SEDAR on April 20, 2020. The previously filed financial statements and management's discussion and analysis for the financial periods were originally filed by the Company on SEDAR on March 2, 2020. Each of the Restated Unaudited Condensed Consolidated Interim Financial Statements and Revised MD&A replaces and supersedes*
- *On April 29, 2020 the Company announced the refiling of amended and restated unaudited condensed consolidated interim financial statements (the "Q3 2020 FS") and management's discussion and analysis thereof ("Q3 2020 MD&A", together with the Q3 2020 FS, the "Amended Statements"). The revisions to the Amended Statements have been made at the request of OSC staff in connection with a continuous disclosure review.*

The Audit Committee of the Company, in consultation with management of the Company, has determined that the Company's previously filed Q3 2020 FS and Q3 2020 MD&A, as filed on March 02, 2020 and April 20, 2020, needed to be restated to correct for content and disclosure deficiencies. The Amended Statements replace and supersede the previously filed Q3 2020 FS and Q3 2020 MD&A and are available under the Company's profile on SEDAR at www.sedar.com.

The Amended Statements were refiled to address comments received from OSC staff and in order to improve the Company's disclosure and to clarify and provide additional disclosure regarding:

- *The Company's working capital requirements and as a going concern;*
- *Key drivers of changes in key financial metrics related to the Company's performance for the period*
- *The status of the required approvals from Health Canada;*
- *The status of the Company's London and Hamilton facilities;*
- *The Company's partnerships and joint ventures;*
- *The Company's lease and debt obligations;*
- *The risks and uncertainties related to the Company;*
- *The Company's quarter-to-date results;*
- *Additional discussion on variations between quarters;*
- *The identification of related parties in the related party transactions;*
- *Adjustments made to the financial statements as at December 31, 2019 to correct, among others, the following material values assigned to:*
 - *Reduce inventories by \$267,279 to include period recognition, reclassification of packaging costs previously assigned to sales and marketing and other consumables previously not included;*
 - *Reduce the fair value of biological assets by \$41,390;*
 - *Include impairment to property, plant and equipment of \$1,531,407 relating to prior periods not previously included;*
 - *Reclassify \$2,455,016 from current and long-term liabilities to borrowings;*
 - *Include \$106,626 of depreciation in right-of-use assets previously omitted in the statement of cash flows;*
 - *Include a fair value adjustment of \$361,482 on the sale of inventories as non-cash adjustments in the statement of cash flows;*
 - *Adjust trade and other payments by a net amount of (\$474,241) in the statement of cash flows; and*
 - *Reclassify \$250,000 of changes in other current liabilities from operating activities to investing activities and reclassify \$500,000 of changes in other current liabilities from operating activities to financing activities (proceeds from borrowings) in the statement of cash flows.*

Details of the changes are fully described in Note 24 to the restated Q3 2020 FS, as filed on SEDAR on April 29, 2020.

Subsequent to the quarter end, the Company issued common shares in the capital of the Company ("Common Shares") in respect of the following:

- *4,122,321 Common Shares were issued in connection with a private placement that closed in August 2019;*

- *9,342,561 Common Shares were issued in connection with a private placement that closed in February 2020;*
- *18,750,000 Common Shares were issued to directors & officers of the Company for compensation owing for service on the board of directors of the Company under the terms of employment contracts; and*
- *3,460,207 Common Shares were issued in connection with the settlement of debt to Havecon (see "Statement on Litigation" below).*

Statement on Litigation

In March 2018, Beleave engaged Havecon Horticultural Projects (together with its affiliates, "Havecon") to construct a greenhouse as part of the Company's approximately \$9 million Hamilton Phase 2 expansion project. The expansion plan included an additional 5,700 sq. ft. of indoor grow space, 55,000 sq. ft. of greenhouse space, and 29,500 sq. ft. allocated for offices, secure storage, and processing. Approximately 70% percent of the expansion (approximately \$6M) has been completed and the Company anticipates it will require an additional \$2.5M to complete the structural build and \$1.5M for security and further redesign to complete the warehouse and processing. In January 2020, a lawsuit was filed by Havecon in respect of labour and material costs for the construction of the site expansion.

The Company has reached an agreement on a payment schedule that allows for deferral of payment and the settlement of a portion of the debt through the issuance of shares. To date, the Company has issued Common Shares valued at \$100,000 as partial satisfaction of the debt owed to Havecon. The developer, Havecon Projects B.V., an affiliate of Havecon, continues to complete construction in phases as capital becomes available through two possible asset sales. Havecon and the Company continue open dialogue and are committed to finishing the expansion project. In conjunction with the payment agreement established in January 2020, the Company anticipates completion before the end of 2020. This timeline is contingent on the closing of the pending asset sales, and so may be accelerated or delayed based on the timing of the sales. The Company will provide an update when one is available.

On March 13, 2020, J. Lohr Winery Corporation filed a trademark infringement claim in Federal Court against Seven Oaks, Beleave Kannabis Corp. and Beleave for its use of the Seven Oaks brand name. In light of the rules that prevent an alcohol company from branding any cannabis products, the Company does not believe the infringement holds merit and plans to dispute the claim.

- *On December 19, 2019, the Company provided an update on previously announced matters as follows and notes no change to prior disclosures on London or Lloydminster.*

2. Provide a general overview and discussion of the activities of management.
 - *Management continues to explore financing opportunities to strengthen the company's balance sheet*
 - *The Hamilton greenhouse expansion continues towards completion as capital becomes available*
 - *The Company is in negotiations on subleasing its Oakville office space, however as a result of Covid-19 Pandemic, the process of has been put on hold*
 - *The Company continued to package and ship cannabis 2.0 products for delivery to various provinces*
3. Describe and provide details of any new products or services developed or offered. For resource companies, provide details of new drilling, exploration or production programs

and acquisitions of any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law.

- ***No new products or services to report***
4. Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned. ***N/A***
 5. Describe any new business relationships entered into between the Issuer, the Issuer's affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.
 - ***The Company retained the services of Branson Corporate Services, a provider of outsourced corporate services, to provide financial services until such time as operations require otherwise.***
 6. Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer's affiliates or third parties or cancellation of any financing arrangements that have been previously announced.
 - ***Shaxon Enterprises terminated the Consulting Agreement it had entered into on February 1, 2020 to provide services relating to business development, business opportunities, raising capital, management strategies, and corporate communications.***
 - ***As previously announced, Beleave had entered into a non-binding Letter of Intent ("LOI") with Dutchman's Gold to partner on the production and distribution of cannabis-infused natural honey and maple syrup products under the Sticky Icky and Dutchman's Gold brands for the Cannabis 2.0 Canadian market. Upon further review, both parties have agreed not to proceed.***
 7. Describe any acquisitions by the Issuer or dispositions of the Issuer's assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provide details of the relationship. ***N/A***
 8. Describe the acquisition of new customers or loss of customers. ***N/A***
 9. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks.
 - ***See Seven Oaks trademark infringement litigation listed in Section 12***
 10. Report on any employee hiring's, terminations or lay-offs with details of anticipated length of lay-offs.
 - ***The Company continues to review operations to maintain costs which has resulted in the termination of three employees in the operations and production departments.***
 11. Report on any labour disputes and resolutions of those disputes if applicable. ***N/A***

12. Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.
- *On March 13, 2020, J. Lohr Winery Corporation filed a trademark infringement claim in Federal Court against Seven Oaks, Beleave Kannabis Corp. and Beleave Inc. for its use of the Seven Oaks name. The Company does not believe the infringement holds merit and plans to dispute the claim.*
13. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness. *N/A*
14. Provide details of any securities issued and options or warrants granted.

Security	Number Issued	Details of Issuance	Use of Proceeds ⁽¹⁾

(1) *State aggregate proceeds and intended allocation of proceeds.*

15. Provide details of any loans to or by Related Persons. *N/A*
16. Provide details of any changes in directors, officers or committee members.
- *Kevin Keagan resigned as CEO as announced on April 13, 2020*
17. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.

The Cannabis market continues to show volatility and could have an impact on the Company's ability to raise capital or secure adequate financing to complete ongoing projects.

While the Company is deemed to be an essential services supply chain provider to the Canadian marketplace, the Covid-19 Pandemic could still have a negative impact on the Company's ability to maintain a healthy workforce to produce and deliver product in a timely manner; as well as the sustainability of its partners and suppliers to deliver, who are also impacted by the pandemic.

Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. As of the date hereof there were is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated May 7, 2020

Bill Panagiotakopoulos

Name of Director or Senior Officer



Signature

Interim CEO

Official Capacity

<i>Issuer Details</i> Beleave Inc.	For Month End of April 2020	Date of Report May 7, 2020
Issuer Address 1653 Hwy 6 North		
City/Province/Postal Code Flamborough/Ontario/L8N 2Z7	Issuer Fax No. (N/A)	Issuer Telephone No. 1.844.235.3283
Contact Name Bill Panagiotakopoulos	Contact Position Interim CEO	Contact Telephone No.
Contact Email Address bill@beleave.com	Web Site Address www.beleave.com	